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**La Jolla Village Merchants Association**



**Consulting Report on Marketing Research Project**



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**April 29, 2019**

Presented in partial fulfillment of the requirements for the  
Master of Business Administration Degree  
Graduate School of Business  
San Diego State University

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Dr. David Ely

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**SDSU MBA Business Consulting Final Report Client Acknowledgment Form**

I, **Jodi Rudick** of **La Jolla Village Merchants Association**, do hereby acknowledge receipt of a copy of the final consulting report that was prepared by the student consulting team from the San Diego State University College of Business Administration.

The team has met and discussed with me the findings of this report. Whereas this report does address the areas of management concern described in the engagement letter, and the team's findings represent valid considerations of these areas that are of utility to our management, this acknowledgment does not necessarily mean that I am in complete agreement with the recommendations.

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**Jodi Rudick**

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Date

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**Karthik Gangadharan**

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Date

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**La Jolla Village Merchants Association**

**BA795 – MBA Consulting**

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## Executive Summary

La Jolla Village Merchants Association tasked the San Diego State University (SDSU) MBA Consulting Team with providing insightful recommendations to increase the frequency, number, and expenditure of La Jolla Village visitors. This goal was accomplished through the use of extensive data collection, data analysis, and secondary research. This comprehensive report provides in-depth analysis that is used to provide evidence-based recommendations to increase foot traffic in La Jolla Village.

In order to provide feasible recommendations to increase La Jolla Village patrons, multiple surveys were created and distributed to La Jolla visitors. The first of these surveys aimed to ascertain the motivations and deterrents for Southern California residents to visit La Jolla Village, the frequency of their visits, and possible incentives to increase the frequency of their visits and their expenditure while visiting. The second of these surveys aimed to identify the visitor's impact of events at La Jolla Village. This survey was distributed on-site to individuals at La Jolla's Open Aire Farmer's Market and to visitors at the La Jolla Cove. Responses obtained from the Open Aire Market were compared to results obtained from visitors of the Cove to determine any differentiation in consumer behavior.

Key findings from the data collection included the insignificance of events on La Jolla Village merchants. Data collection showed that people were less likely to patronize a restaurant or business in the Village on an event day and anticipated spending \$14 less on average when there was an event going on versus when there was not an event. From the data analysis based on the responses to the two surveys, recommendations are provided. Recommendations are split into 3 different categories: local's perks, traffic mitigation, and pedestrian experience.

Locals' perks would be beneficial in increasing foot traffic to La Jolla Village from the Cove and the neighboring La Jolla Shores. Locals' perks would include: a locals' discount card as well as merchant incentives for visitors to La Jolla Shores activities. 65% of survey respondents stated they would be more likely to visit La Jolla if a local's discount card was provided. Additionally, merchant incentives would motivate individuals that are visiting La Jolla for the beautiful scenery or water activities to make their way into the Village to visit the local merchants.

Traffic mitigation is aimed to combat the perception of La Jolla Village being an overly congested area with parking and traffic problems. Data analysis, secondary research, and in-person surveys provided insight as to potential solutions to this perceived issue. Subsidized employee parking outside of the heart of the Village will provide useful in clearing the perceived parking and traffic issues. Additionally, a parking shuttle for individuals that are willing to park outside of the heart of the Village would direct visitors

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to the shops in La Jolla Village while reducing personal driving distance and traffic frustrations. 51.52% of respondents stated they would be willing to park outside of the Village and take a shuttle into the Village.

Aiming to simplify the pedestrian experience, the SDSU MBA Consulting Team recommends petitioning the Coastal Commission to create a walkway from La Jolla Shores to La Jolla Village. In conjunction with a walkway, wayfinding signage should be placed near the Cove and La Jolla Shores to direct visitors to The Village to shop and dine.

La Jolla Village Merchants Association will find these recommendations useful in increasing the frequency and number of visitors to La Jolla Village. Capitalizing on the beautiful views that La Jolla offers to increase business in La Jolla Village will prove to be successful.

## Background

La Jolla Village Merchants Association originated as a champion for small business, a resource for merchants to help combat high rents, and a champion of large anchor tenants to increase local foot traffic. La Jolla Village Merchants Association, guided by a 15-member board, aims to increase consumer demand and maintain La Jolla's reputation as a premier tourist destination in San Diego. It provides information to both tourists and locals about destinations, shopping, events, transportation and more in order to improve and vitalize La Jolla's business district.

La Jolla Village Merchants Association (LJVMA) is a Business Improvement District (BID) that is contracted by the City of San Diego's Economic Development Department to manage the La Jolla Business Improvement District. As a public-private partnership, the BID is effectively acting as a localized chamber of commerce with a goal of expanding economic and community development. The BID enables businesses to take advantage of economies of scale that are not attainable by individual business owners; marketing, capital improvement projects, and improved maintenance are a few examples.

BID member businesses within defined district boundaries are assessed a property levy on an annual basis; BID revenues vary widely since they are largely driven by real estate property assessments and the ambitions of board of directors. Many BID associations receive city funding such as parking meter revenues and grants funded via Transient Occupancy Taxes. Additional revenue streams supporting BIDs often come from hosted festivals and special events, as well as corporate sponsorships secured by the organization.

In a highly competitive and choice-abundant environment, it's imperative for organizations to continually improve, differentiate, and add value to the market. Therefore, La Jolla Village Merchants Association engaged SDSU consultants to support the board's strategic plan for growth.



## Problem Statement

*La Jolla Village businesses want to attract more visitors to shop and dine.*

Businesses are underperforming despite being a vibrant coastal neighborhood blessed with scenic stretches of beach and beautiful weather year-round, complemented by unique high-end boutique shops, world-class restaurants and art galleries, and eclectic pop-up storefronts that create a unique and tempting experience. This underperformance may be attributed to not successfully attracting new business from drive-market visitors. Consumer preferences' gravitation toward convenience and instant gratification as well as online commerce's disruption of brick-and-mortar retail locations have created a challenging relationship between local merchants and today's time-starved, value-hungry consumers.

The opportunity at hand is to provide La Jolla Village Merchants Association with the insights, data, and strategic recommendations necessary to assist with the following goals:

- Change perceptions and overcome potential objections to visiting La Jolla Village.
- Improve the economic vitality of La Jolla Village through increased visitor demand.
- Ensure La Jolla Village is being considered as a preferred destination and activity for locals and tourists alike.
- Better understand La Jolla customers and visitors, including but not limited to their purchasing behavior and motivations.
- Give consumers good reasons to visit La Jolla Village (enough to act, not just consider).
- Find new ways and times for customers to engage with La Jolla (e.g. day-cation format, nights, weekdays, etc.).
- Reduce any "friction" of visiting La Jolla Village (e.g. parking, number of activities, etc.).
- Create an attractive atmosphere and a "magnet" for experiences worth sharing in La Jolla Village.

### **Market Analysis will address the following goals:**

- How best to increase the number of visitors to La Jolla Village
- Determine how to get people from the Cove up to the Village
- Increase visitor spend during non-peak hours (i.e.: nights and weekends)
- Minimize public parking and traffic concerns

The strengths of La Jolla Village as a destination set the stage for an active differentiation not only among other competing upscale neighborhoods but also has the potential to draw visitors that might intend on doing completely different activities, such as going to the movies, museums or perhaps shopping at Fashion Valley or UTC.

During this project, the consulting team from the Fowler College of Business – SDSU (SDSU) has provided due consideration to these factors. Based on the initial discussion

with La Jolla Village Merchants Association (LJVMA), it was believed that the time and effort of the consulting team would be most beneficial to the newly elected executive team of La Jolla Village Merchant Association if the consulting team took a horizontal research approach and provided validated actionable insights based on consumer preferences.

Preliminary analysis indicated that the single biggest challenge that prevents Southern California residents from visiting La Jolla is the perception that La Jolla lacked parking infrastructures and traffic jams were frequent. LJVMA had been struggling to change this negative public perception and get people to visit during the evenings and weekends when La Jolla Village has plenty of parking and traffic is quite manageable.

LJVMA officials indicated that there had been push back from residents when proposals for building public parking garages were made; in addition, residents insist on keeping the street parking free. This has not only cost the city money, but also has prevented implementation of parking reforms. Continuance of this situation could potentially cause disruption to the local business thereby affecting La Jolla Village as a whole.

### **Initial Observations**

Outside of parking and driving, alternatives that visitors can opt for include ride-share or public transport if they are keen enough to visit La Jolla. As a classic cause-and-effect situation, since there are limited visitors to La Jolla after business hours and weekends, many businesses close early or don't open on weekends. With limited retail businesses and restaurants open, there is lack of motivation for anyone to visit La Jolla during these hours. While LJVMA, again acknowledging this situation, adds that there are things happening during the evenings and weekends, they have not been curated for the general public's view. To add to the situation, even those who visit La Jolla to see The Cove and the seals are often not aware of the attractions around the neighborhood just up the hill from where they are. In order to help LJVMA achieve their main goal of attracting more visitors, we narrowed the scope of our research down to three main objectives.

## Project Objectives & Methodologies

### Objective #1:

Identify motivations and deterrents for tourists and locals to visit La Jolla Village.

*Research Methodology:* The first objective aimed to identify motivations and deterrents for tourists and locals to visit the Village. This was achieved via data collection surveys, called the master survey, in the field and online (See Appendix D). Surveys were designed to collect data from residents of Southern California who were frequenting other Main Street areas, such as Solana Beach, Carlsbad, Balboa, etc. To gather a greater number of survey responses, this survey was also distributed online to a diverse group of Southern California residents including friends, family, classmates, colleagues, as well as a professor's email list. The goal was to identify motivators to inspire prospective consumers to consider La Jolla Village as a destination over other locations when planning a celebration, i.e. birthday, anniversary, special date night, etc. The data collection surveys included qualitative questions about visitors' and locals' tendencies to visit the La Jolla Village, their motivations for visiting La Jolla Village, as well as possible incentives that would motivate individuals to visit more frequently. Additionally, the survey included quantitative questions about behaviors and spending habits when they are on these types of visits. The survey was delivered by SDSU consultants via mobile device, in-person, and email.

### Objective #2

Identify the impact of events on La Jolla Village.

*Research Methodology:* A second collection of data occurred when an event took place in La Jolla Village in order to drive insight into the value of events that drive visitor traffic to the area and identify whether events have a significant impact on the local merchants (the local survey). In order to understand the impact of events, a separate survey was created and distributed at both La Jolla's Open Aire Farmer's Market and La Jolla Cove (See Appendix E). The survey results were aggregated by location. This survey asked respondents whether or not they were planning on visiting La Jolla Village after the event/sightseeing at the Cove, what they were planning on doing in the Village, how they arrived at La Jolla that day, and how much/where they were planning on spending money in the Village. Additionally, respondents were asked whether specific incentives would motivate them to visit the Village. Data was collected face to face via in-person surveys. An impact analysis was conducted based on the data collected.

### Objective #3

Make recommendations specific to marketing, grant proposals, and events in order to drive economic impact of each visitor on the businesses of the La Jolla Village Merchants Association

*Research Methodology:* Based on the analysis of the data from the two surveys, recommendations are provided. Recommendations are provided with respect to the significance of events and their impact on the economic activity within the Village, participant responses to incentives, as well as other general information gathered. The data collection has offered insight as to the draws and deterrents of La Jolla Village and its competitive neighborhoods and has allowed the LJVMA to identify what attributes of the Village need to be emphasized in marketing campaigns, and what negative impressions need to be combated via marketing efforts.

It was very useful that the members of the La Jolla Village Merchants Association shared information regarding their current marketing strategy and initiatives as well as recent economic impact research that was conducted after the 2010 SD Tourism Authority research. This information was used by the team to create a questionnaire using Qualtrics software on mobile devices and via email in order to conduct in-person interviews with visitors in La Jolla and competing main street districts in San Diego.

A comprehensive data analysis was conducted upon the completion of the data collection phase ending April 7th. The data was analyzed and used to make recommendations to LJVMA regarding marketing strategy, event marketing, and other methods to draw more visitors to the area and increase their economic impact on the La Jolla Village.

## Industry Analysis – Other Cities and BIDs

In order to provide plausible recommendations, the creation and purpose of BIDs were considered. Additionally, analyzing other BIDs to understand what has worked and what has not worked allows justification for the recommendations provided by SDSU's Consulting Team.

The United States saw strong growth in retail, tourism, entertainment and office industries leading to intensified competition among neighborhoods and the need for image-creation and promotion were considered of crucial importance for each neighborhood to stand out (Stokes, 2002). This led to increased marketing efforts geared towards neighborhood marketing. As a consequence, a spotlight was on these popularly marketed "prime" neighborhoods, and everyone expected these neighborhoods to be role models for other neighborhoods. Unfortunately, these prime neighborhoods were not ready for the spotlight and issues related to sanitation and neighborhood security rose and City management was inefficient to cope with this situation. It was at this time, the need for Business Improvement Districts (BIDs) rose. BIDs are essentially public funded local community governed bodies that provides sanitation, security and marketing efforts in the best possible way that is determined by the local community.

The City of San Diego started its first BID in the 70's and as of 2018 annual report (City of San Diego, 2019) there are 18 BIDs and over 15,000 Businesses that are part of these BIDs. Over the past 3 years, these BIDs have generated on average over \$15 million in BID tax revenue and according to the financial report from City of San Diego, the return on investment has been about \$9.2 for every \$1 invested (City of San Diego, 2016). These numbers indicate a strong motivation for the City of San Diego to continue to build and develop BIDs within the city. LJVMA earned a total of \$640,074 as funding from the City of San Diego over the past 3 years (La Jolla by the Sea, 2019).

In addition to BIDs in San Diego, additional research was conducted to understand how BID's operated across different parts of the country. It was discovered that every BID in the country had directly or indirectly fell under one or more of these four categories: creating positive image, maintain sanitation, provide security and assist with bureaucratic challenges (Stokes, R. J. (2002)). It was not only interesting to observe that every action a BID takes is directly or indirectly related to these four categories but also interesting to note that these four categories underline the challenges that led to creating the Business Improvement Districts decades ago. This underlying thread that connects every BID in the country gives an opportunity to make a fair comparison and evaluate actions based on the categories and the circumstances and draw reasonable conclusions on how a successful action taken in one city's BID could help solve similar problems in other BIDs. Best practices observed from other big city BIDs were explored and selection of successful ideas from few west coast cities that had similar dynamics and challenges are listed here.

#### Los Angeles:

- Partnership programs at local schools to encourage parents to shop local. E.g. holding a school event at the BID. Tenth annual Halloween party saw over 1700 kids and their families that go to neighboring schools visited the BID.(Downtown LA annual report 2018).
- One-stop-clearing house: considering the feasibility BIDs offer a one-stop solution to all the problems a business owner may have within the BID that interrupts or prevents them from doing business regular. Over 37,000 services calls have been answered in 2018 (Downtown LA annual report 2018)
- LAX Gateway to Manhattan beach Trolley: Focused shuttle service from Los Angeles International airport gateway to the Manhattan Beach BID. This was centered on the theme that this was a destination worth exploring and it allowed the BID to tap into the underserved transit travelers that stayed at the hotels at the airport gateway. This project over grossed over \$70,000 in revenue for the BID for 2017(Compliance report LAX Gateway 2017).

#### Seattle:

- Invests in thematic art projects that will age well and adds a cultural dimension to the neighborhood.
- Launching short-term finite goal “Task-force” that is fully dedicated to working on top issues. Over 500 such projects have been activated so far.
- Directions and information were provided to those visiting both online and offline with information centers/kiosks at strategic locations.
- Created and implemented a 10-year goal to achieving “drive-alone commutes to less than 30 percent. This was achieved through a BID-City effort to improve public transportation, encouraging alternative modes of transportation such as creating bike lanes, more public transport access points and a new streetcar connection among other things. This was achieved through public-private partnership and over 3500 commuters received travel benefits through the BID to make this a success. (Downtown Seattle Association, 2019)

#### San Francisco:

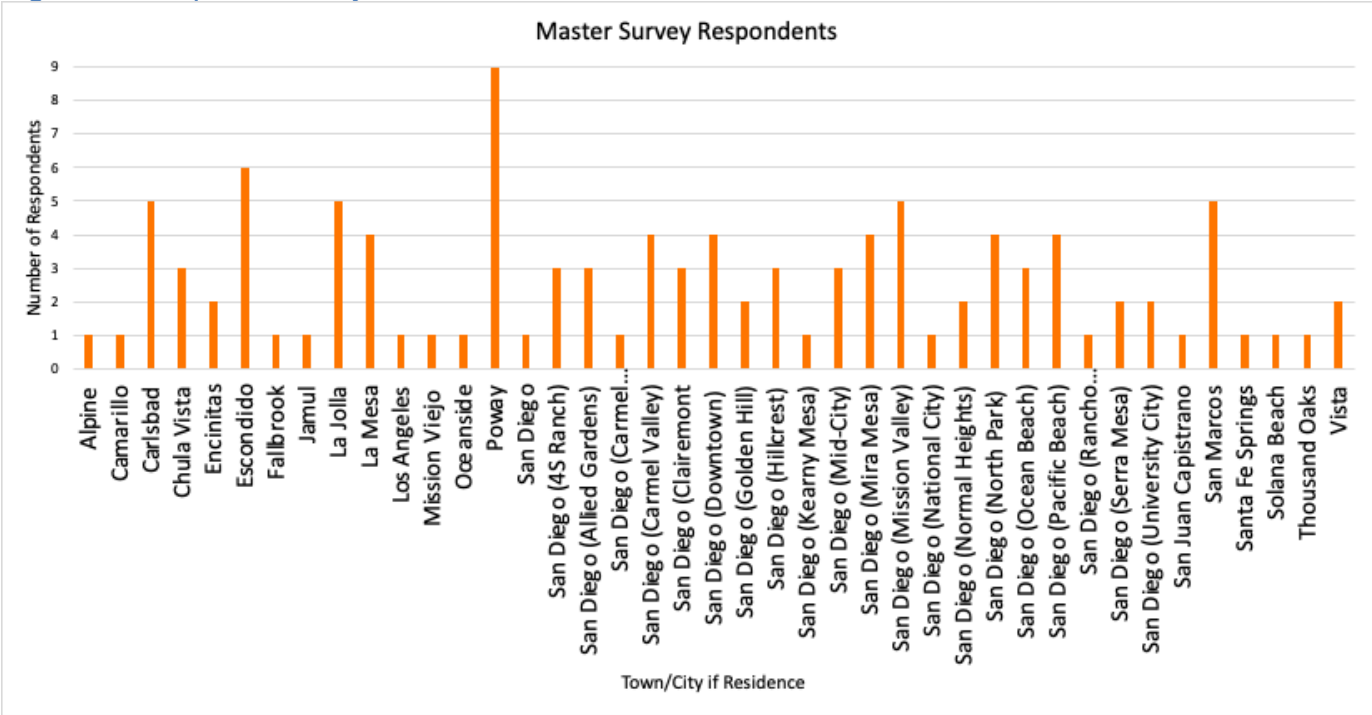
- Installation of pedestrian counters at strategic locations to track real-time pedestrian movement for data analysis and insights. This also helps identify crucial bottlenecks that might inhibit visitors patronizing businesses in the neighborhoods. SF’s Union Square greeted over 39 Million visitors through the 2017 and over 5 Million in the month of August 2017. They data to be used to monitor and track pedestrian traffic in real-time and make arrangements that will help the visitors and make them a better visiting experience (Annual Report, 2017).
- Pop-up shopping festivals: organize multiple seasonal popup shopping festivals, such as winter walks supported by “safe shopper” program that provides safety services to visitors. Under the safe shopper program, over 350 installed cameras and 10,000 hours police patrolling leading to over 200 hundred arrests in 2017(Annual Report, 2017).

# Key Findings & Conclusions

The San Diego State University consulting team conducted two separate surveys, the Master Survey and the Local Survey, to gain insights from California residents and visitors to the La Jolla Cove and Open Aire Market. These different data collection efforts were then aggregated and compared in order to gauge the impact of events on the Village, and the willingness of residents in neighboring cities to visit the Village. The following are the major takeaways from the survey results separated by Master and Local.

## Master Survey

Figure 1. Respondents by Residence



The Master Survey was distributed locally through email and social media channels via the SDSU consulting group as well as collected in person in local Main-Street districts including Carlsbad, Solana Beach, and Balboa Park. The goal of Master Survey was to gain insights from California residents on the motivators and deterrents of visiting the Village, how often they visit, and their habits when they do. The majority of our respondents currently live in San Diego County. 46% of our respondents were between 30 and 45 years of age, with the next largest demographic being those under 30 at 31% of our sample, 50.39% of our respondents were male and the majority did not have children. A total of 147 responses were gathered for the Master Survey, 3 were respondents were international, so they were not included in the data analysis as they might skew the data.

Figure 2. Visits to La Jolla Per Year

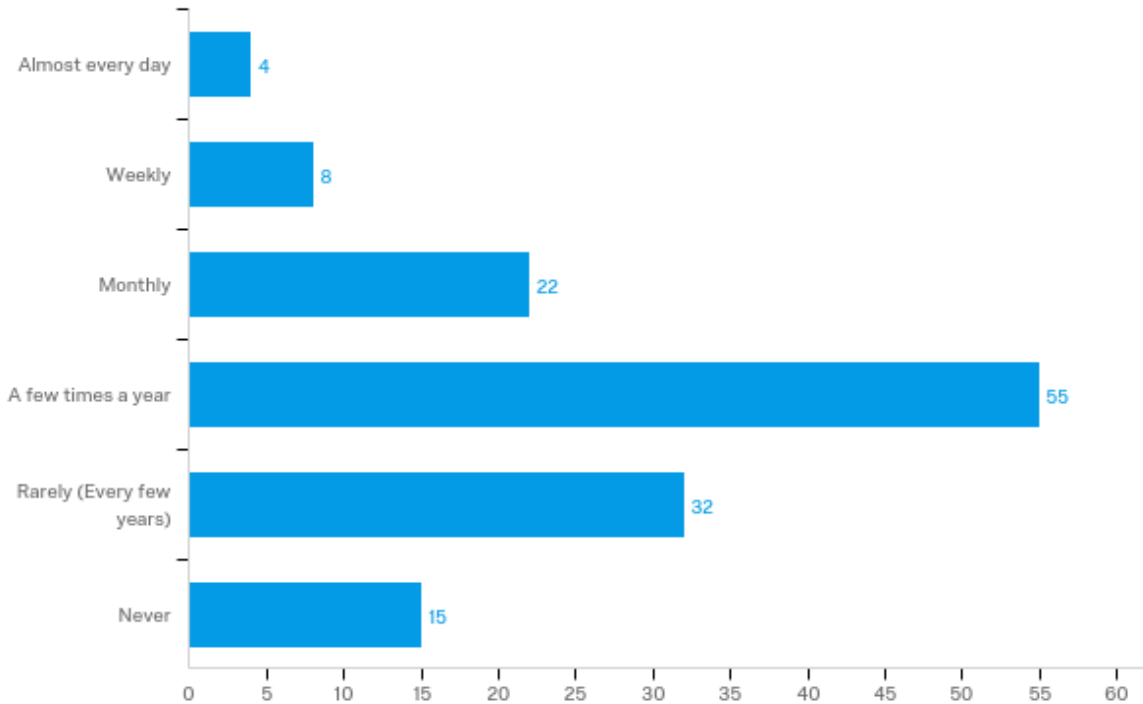
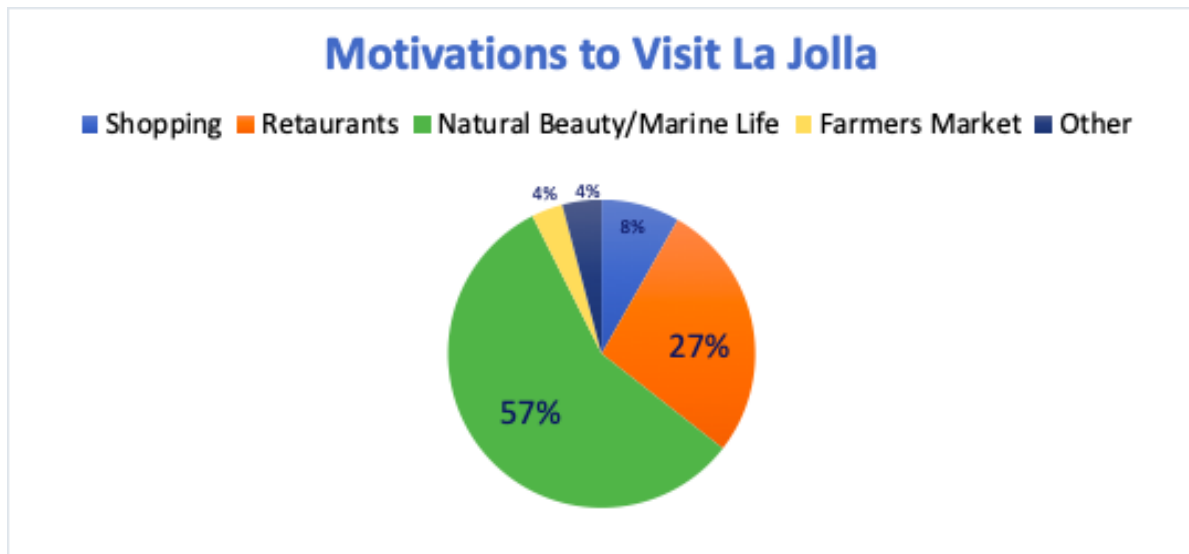


Figure 3. Reasons to Visit the Village

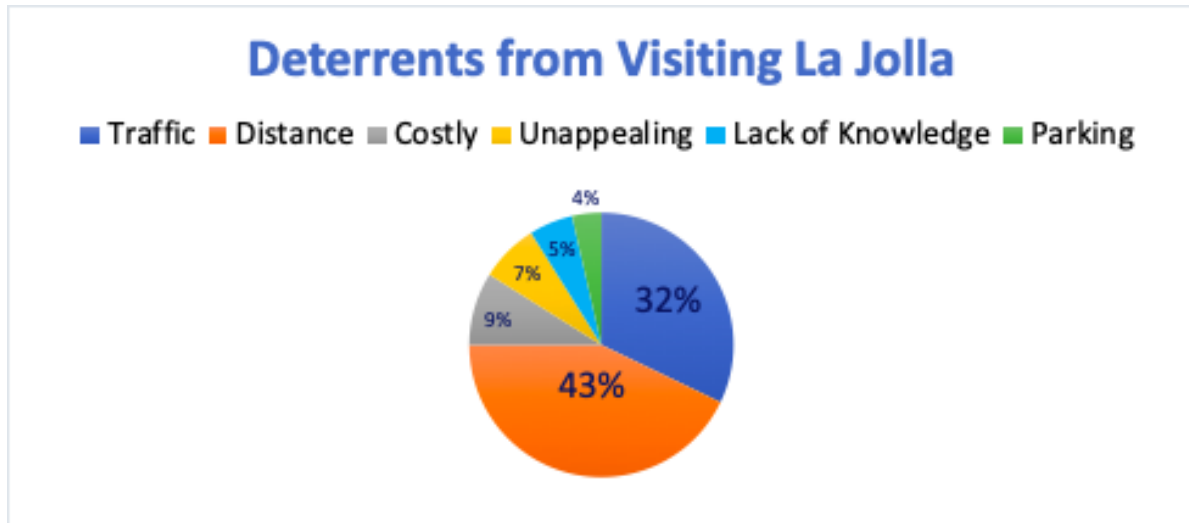


The biggest draw to the Village is the Natural Beauty and Marine life, followed by restaurants and shopping. 100% of respondents who listed shopping as a motivation to visit the Village were 45 years old or younger. None of the respondents were drawn to La Jolla for arts and cultural events, or for the amazing hotels that lie within the Village. *65% of our sample would be more motivated to shop in La Jolla if there were a local's*



discount card or loyalty program offered. 73% of our respondents would also like to more street fairs and special events in La Jolla.

Figure 4. Deterrents from Visiting the Village



What keeps them from visiting more often? This was an open-ended question. Most respondent's responses fell under one of these six categories:

- Traffic
- Distance
- Expensive/costly
- Unappealing: perceptions of snootiness
- Lack of knowledge about things to do there
- Parking

One respondent mentioned that it was too far to travel from where they lived in Serra Mesa, approximately a 20-minute drive. 51.52% said they would be willing to take a shuttle from outside of the Village into the heart of the Village which may cut back on the perceived distance needed to travel to visit La Jolla.

Approximately 30% of respondents noted that they would be more likely to visit the Village more often for special events and festivals, 14% would like to see more family friendly options and would be more likely to visit if these activities were available. None of the respondents would be more likely to visit because of an entertainment package, and less than 10% would be motivated to visit because of nightlife offerings.

## Local Survey

Figure 5. In-State Visitors by City or Neighborhood

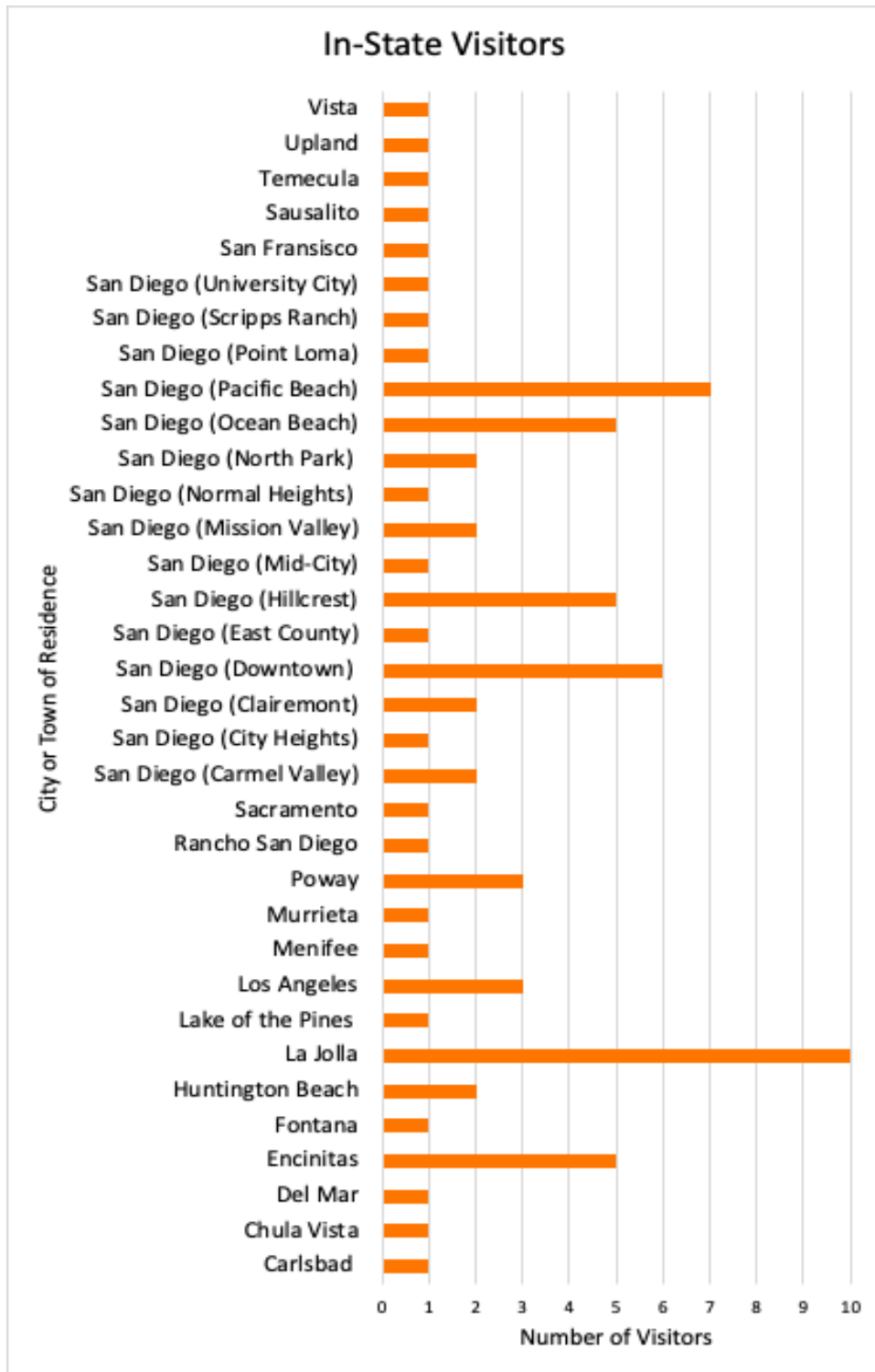
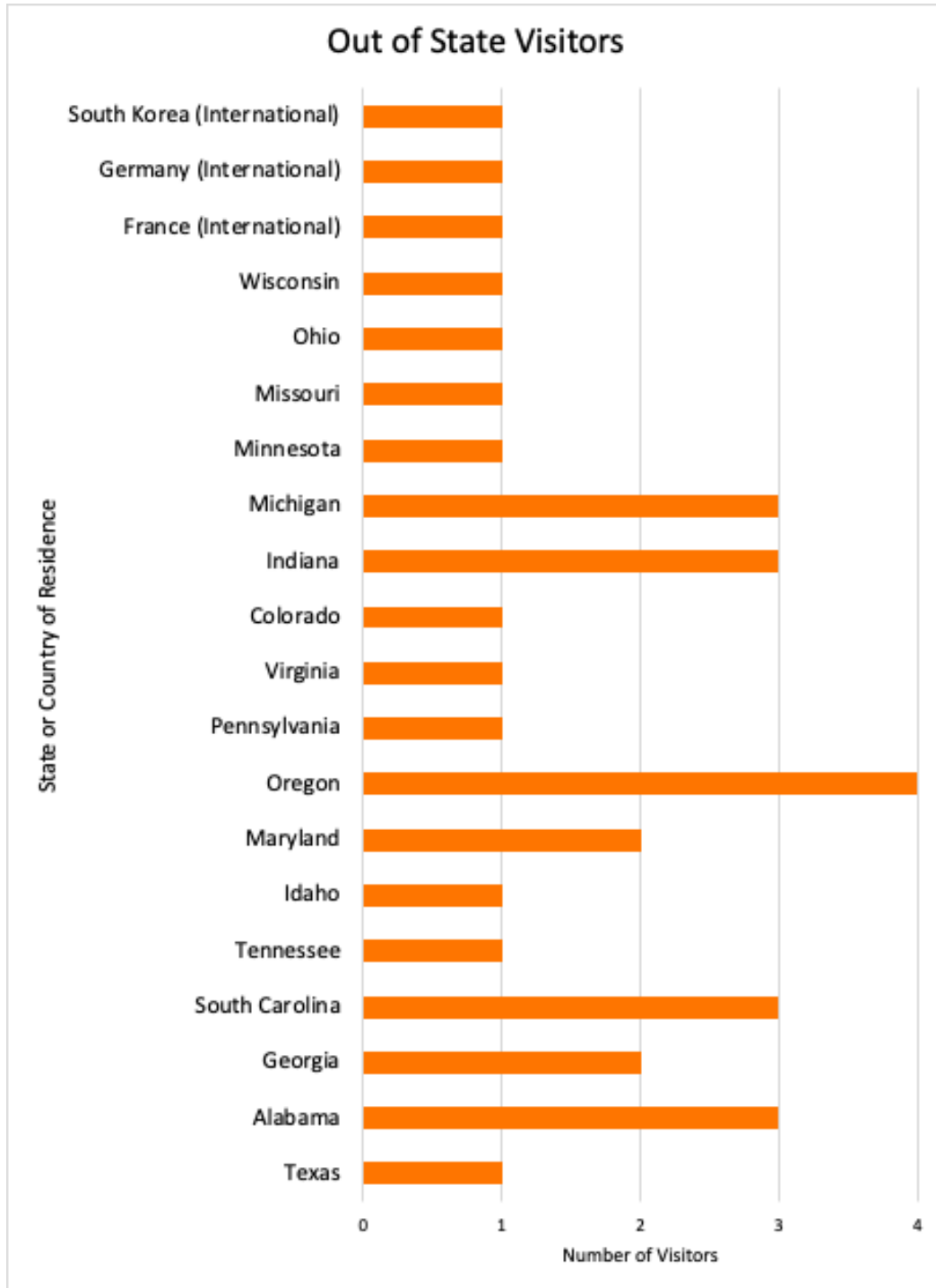


Figure 6. Out of State Visitors by State or Country (if outside U.S.)



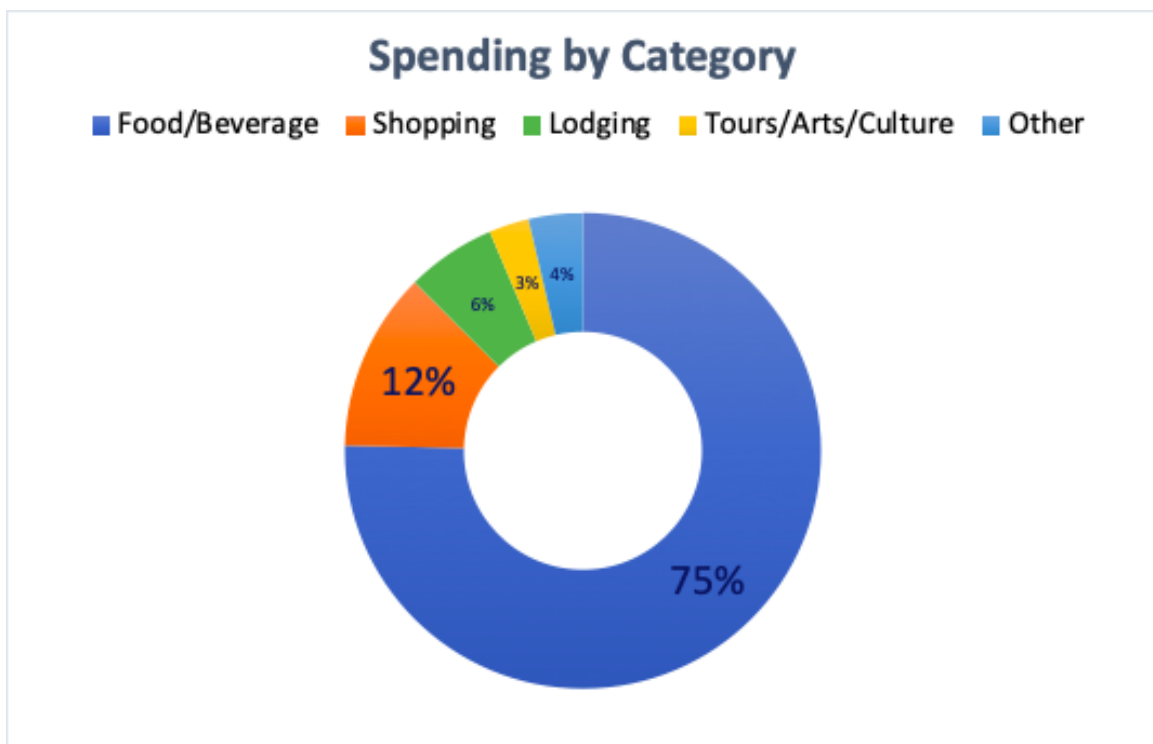
The Local Survey was distributed in person by the SDSU Consulting group at the La Jolla Cove and the neighboring La Jolla Open Air Sunday Market. 68.8% of our respondents were from California, with the other two largest groups being from the

South (9.2%) and Midwest (10.1%) regions of the U.S. 30% of the total sample was visiting from outside of California. A total number of 120 Local Surveys were collected.

### La Jolla Cove Visitors

- Demographics:
  - 40.82% of respondents were 30-45 years old
  - 45% were male and 55% were female
- Transportation:
  - 77.55% drove
  - 14.29% used a rideshare service
- 1<sup>st</sup> Time in La Jolla:
  - 55.1% Yes
  - 44.9% No
- Did they plan to dine, shop, or visit a business in the La Jolla Village
  - 63.27% Yes
  - 36.73% No

Figure 7. Average Anticipated Spend: Non-Event (by percentage of total spend for the day)

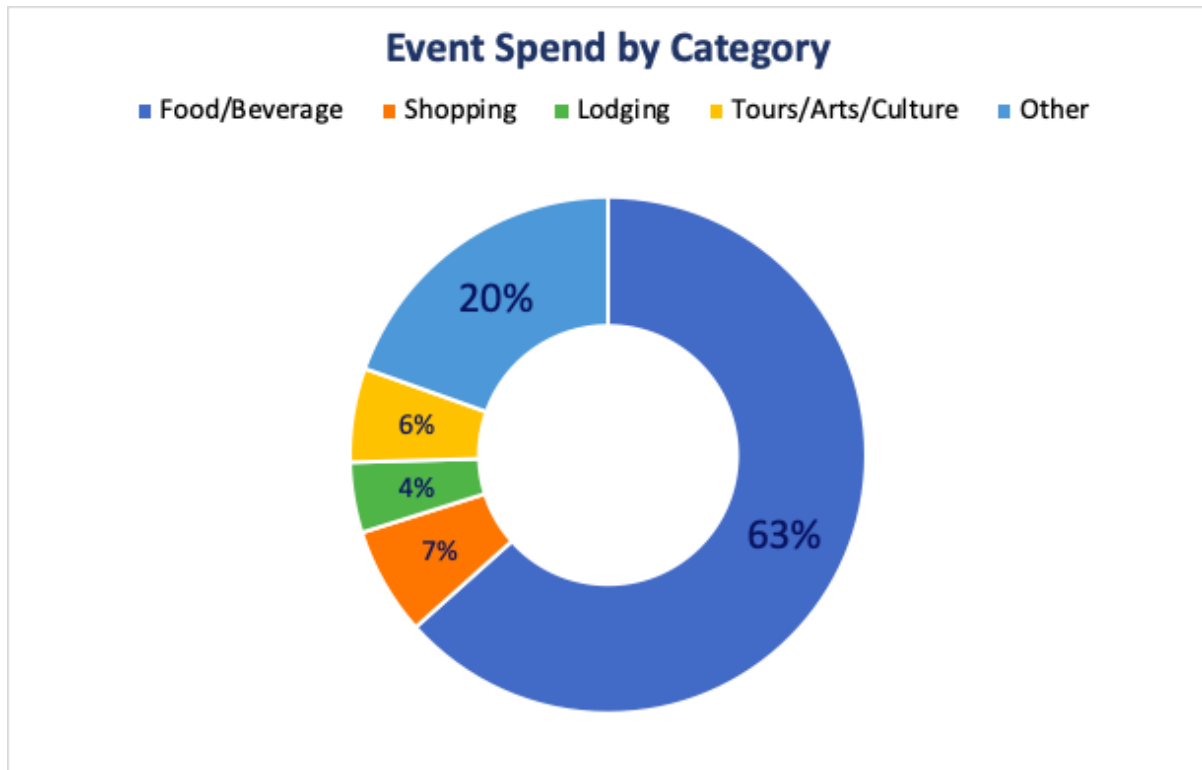


- Average anticipated total spend for the visit
  - \$136
- Likelihood of recommending La Jolla to others:
  - Extremely likely: 93.88%

### During an Event in the Village

- Demographics:
  - 42.03% of respondents were 30-45 years old
  - 26.09% of respondents were Under 30 years old
  - 26.09% of respondents were 46-65 years old
  - 45% were male and 55% were female
- Transportation:
  - 62.32% drove
  - 18.84% used a rideshare service
  - 8.7% walked
- 1<sup>st</sup> Time in La Jolla:
  - 18.84% Yes
  - 81.16% No
- Did they plan to dine, shop, or visit a business in the La Jolla Village
  - 49.28% Yes
  - 50.72% No

Figure 8. Average Anticipated Spend: Events (by percentage of total spend for the day)



- Average anticipated total spend for the visit
  - \$122
- Likelihood of recommending La Jolla to others:
  - Extremely likely: 69.57%
  - Somewhat likely: 23.19%

## Impact of Events on the Village

There was not much differentiation in the demographics (age and gender) of those surveyed who were either attending the Open Aire Market or visiting the Cove. The Open Aire Market draws a more localized, and regular crowd. 81% of those surveyed at the market had visited the Village before. This is a great way to capture revenue for local merchants via the local's discount card that will be discussed in further detail in the recommendations section. It was found that those visiting for the Open Aire Market were actually less likely to patronize merchants in the Village before or after the market, and on average they anticipated spending less money than those at the Cove. Open Aire Market respondents mentioned things like visiting their yoga studio (Trilogy Sanctuary specifically came up several times) or hairdressers during their visit. Those visiting the market seem to be out running errands or doing their regular day-to-day activities rather than venturing to the Village for dining or recreational spending. Marketing Materials about the local's discount program or a sign-up both should be available at the Open Aire Market on Sundays to build awareness about local merchants and incentivize these regular visitors to increase their spending habits in the Village.

Generally, Food & Beverage is the category in which visitors anticipate spending the most whether there is an event going on or not. Visitors are less likely to shop at a local business when an event is happening. Because of this, local merchants should consider setting up a booth at the Open Aire Market to sell their products. This would allow merchants to get their goods and/or services in front of more visitors and mitigate the risk of shoppers losing interest if they need to travel too far or fight traffic to get to a specific storefront.

The most overwhelming takeaway is that people love La Jolla! Whether it was an event day or not, the vast majority of respondents were either highly or extremely likely to recommend La Jolla to a friend. Word of mouth marketing does wonders for your Village.

## Notable Consumer Quotes

Much of the primary research conducted was qualitative and high-touch in nature as many respondents were surveyed directly in-person. Therefore, valuable "external survey" insights derived from casual human interaction were captured during the act of surveying respondents in addition to the actual survey responses themselves. Notable quotes from respondents in La Jolla Village are listed below to get a greater "pulse" of consumer perceptions and experiences.

- "Where is the best place to eat that has a view of the ocean?"
  - Insight: consumers may want to integrate the scenery into their shopping experience.
- "Where is there food around here?"
  - Insight: many consumers are unaware of the locations of restaurants and shops, even though they are close in proximity.

- “What is La Jolla Village?”
  - Insight: some consumers may not be aware of the Village or what it has to offer.
- “How do I get to the shops?”
  - Insight: many consumers expressed a desire to shop but didn’t necessarily have an explicit guide to get to the shops from the scenic cove locations.
- “We’re from out of state, do you still want to talk to me?”
  - Insight: many consumers were from out of the area but still selected La Jolla as a destination to visit.
- “I’m showing my friend around”
  - Insight: many out-of-area respondents also had an in-area “host” friend that showed them around La Jolla during the time of the survey.

The above quotes are important to La Jolla Village Merchants Association as it provides a benchmark of the lack of awareness of shops and dining in the area compared to the awareness of marine life and the overall scenery. Distance-wise, spending opportunities (like shops) are close to highly-trafficked areas like the Cove, but visibility and line-of-sight-wise, spending opportunities are somewhat hidden. The above quotes also denote a common theme of consumers wanting to “harmonize” shopping and the scenery (e.g. eat with a view).

## Grant and Fundraising Research

In addition to data analysis, grant and funding research has been used to supplement data collection and data analysis. These grant and funding opportunities can be used by La Jolla Village Merchants Association to fund any additional infrastructure, events, or marketing initiatives that LJVMA may not currently have funding for.

As a non-profit organization that is focused on community development and supporting its local merchants, La Jolla Village Merchants Association would widely benefit from applying for additional grants. By applying for grants, La Jolla Village Merchants Association has the opportunity to receive funding that will directly benefit the association as well as the merchants that participate in the association.

The Foundation Center provides information regarding grant opportunities from local foundations for different purposes. Through extensive research of foundations that regularly provide grants to an array of organizations, we have created a comprehensive list of potential grants for LJVMA to apply.

Focusing on community development and enhancement, LJVMA has the opportunity to apply for the following grants found through The Foundation Center:

1. The Cathay Bank Foundation: The Cathay Bank Foundation awards grants to communities and programs that aim to support small business development and commercial revitalization (Our Grant Focus, 2019). Since the mission of LJVMA is to support the businesses of La Jolla Village through the growth and improvement of the downtown La Jolla area, this grant would direct benefit the merchants in La Jolla Village (La Jolla Village Merchants Association, Inc, 2011).
2. The NBC Universal Foundation plans to award \$2.5 million dollars to local non-profit organizations with missions that vary widely. Community engagement is one of the non-profit sectors that the NBC Universal Foundation is planning to award funding to in order to increase inclusion within communities. This awards an opportunity for LJVMA to participate in this funding cycle (Lafayette, 2018). Last year, NBC Universal Foundation awarded \$2.5 million dollars to 62 different non-profit organizations competing in 11 different markets (Lafayette, 2018).
3. The William + Flora Hewlett Foundation offers a grant to non-profit organizations focused on” help[ing] nonprofits become high-performing organizations that are healthy, sustainable, and successful in achieving their goals. Organizational Effectiveness grants can be used to build capacity in areas such as strategic planning; leadership transitions; board development and governance; communications planning; diversity, equity, and inclusion; and financial planning” (Organizational Effectiveness, 2019). Funding from this foundation can be used towards recruiting additional team members to help with the overarching mission of LJVMA, financial planning for future strategic plans, and overall keeping LJVMA organized and sustainable.



4. The Wallace Alexander Gerbode Foundation: In 2015, over \$3.5 million in grants were awarded to 96 non-profit organizations in different areas through The Wallace Alexander Gerbode Foundation (The Wallace Alexander Gerbode Foundation, 2019). The Wallace Alexander Gerbode Foundation awards grants to non-profits with different missions including community affairs and arts and culture. LJVMA could potentially use the Wallace Alexander Gerbode grant to support the artistic and cultural merchants within La Jolla Village including but not limited to The Conrad Prebys Performing Arts Center and The Athenaeum as well as to enhance community affairs by planning and executing different events that will benefit the La Jolla Village community (The Wallace Alexander Gerbode Foundation, 2019).
5. The David C. Copley Foundation: Also focusing on grants related to Arts and Culture, The David C. Copley Foundation awards grants to non-profit organizations that aim to enhance their communities Arts and Culture initiative (Mission Statement, 2019).
6. The Parker Foundation: As stated on its website, the mission of The Parker Foundation is to promote the “betterment of life for all people of San Diego County” (The Parker Foundation, 2019). In 2018, The Parker Foundation awarded over \$2.1 million in grants to organizations in a variety of different areas. In addition to organizations focusing on education, homelessness and housing, military support, and social equity, The Parker Foundation also awards grants for the purpose of organizational sustainability and infrastructure (The Parker Foundation, 2019). Similar to the William + Flora Hewlett Organization, LJVMA could directly benefit from this grant in the areas of recruiting employees, financial planning, and keeping LJVMA sustainable.
7. The Craigslist Charitable Fund awards grants to many different organizations. Their focuses include Environment & Transportation, Education, Justice, Journalism, Internet and more (Craigslist Charitable Fund, 2019). LJVMA could benefit from applying for a grant with The Craigslist Charitable Fund in the area of transportation. This grant could be used to support a trail made from The Cove to The Village to encourage visitors at The Cove to visit La Jolla Village as well.
8. Teichert Foundation awards grants in order “to build and preserve a healthy and prosperous region”, as stated on the company website, specifically mentioning organizations that create beauty and foster culture (Teichert Foundation, 2019). LJVMA can apply this grant towards the natural beauty that La Jolla has to offer and using this natural beauty to entice visitors to visit La Jolla Village.

## Recommendations

Results of the research, both primary and secondary, led to three primary areas of opportunity; Locals' Perks, Traffic Mitigation, and Pedestrian Experience. Within each of these areas, two recommendations have been made.

### Locals' Perks

#### Locals' Loyalty:

Survey results indicate that a "locals' discount" or loyalty program would be a motivator that would drive visitor demand in La Jolla. 65% of Southern California residents surveyed indicated that they would be likely to visit La Jolla Village more often if they received a locals' discount on shopping and dining. In order to be effective, prospective visitors need to be aware of the existence of such a program via targeted digital marketing efforts. This could be achieved by LJVMA through the medium of signature events, targeted marketing plans, and strategic partnerships. Since the La Jolla by the Sea website is linked to the San Diego Tourism Authority website, it is a prime gateway for marketing to tourists and locals alike. Currently, there do not appear to be any discount opportunities or loyalty program offered, and the website is the best place to connect with locals as they search for events and restaurants.

An example of a similar program can be found in Napa Valley in a program called *Napa Neighbor Offers* (Napa Valley Vintners, 2019). Napa Valley Vintners is a non-profit trade association with approximately 550 members. Their mission is "To promote, protect and enhance Napa Valley". The organization has many parallels to a Business Improvement District; deploying resources such as signature marketing programs, comprehensive member resources, and locals' discounts.

#### Visitors' Discount Voucher Program:

A 68% majority of Southern California survey respondents indicated that their primary reason for visiting La Jolla was to enjoy scenic sightseeing and outdoor activities such as kayaking, swimming La Jolla Cove, paddle boarding, hiking, and scuba diving. Since many of these activities originate in the area of La Jolla Shores for water sports equipment rental, guided tours, and ocean and walking trail access, this is an area of opportunity.

There is an opportunity for La Jolla Village Merchant's Association to facilitate strategic marketing alliances between companies like *La Jolla Kayak* or *La Jolla Water Sports* and other La Jolla Village merchants. Since the primary driver for visiting La Jolla was to enjoy the natural beauty and marine life, and anecdotally many indicated that they visited La Jolla Shores specifically; to kayak, swim, stand up paddle board, or hike, this is an area that warrants focus and further research into joint marketing opportunities. One recommendation is for LJVMA to facilitate a discount voucher program that includes a joint marketing partnership between La Jolla Village merchants and La Jolla Shores merchants. For example, in the casual dining area at *George's by the Cove*, table top collateral pieces could promote various ocean sport companies in La Jolla

Shores and the wait staff could offer discount vouchers to guests as they check out. Concurrently, merchants such as *La Jolla Water Sports* could offer their customers a LJVMA facilitated discount voucher for *George's by the Cove*. This is a simple and measurable solution that would allow quantifiable results to be collected through a simple serial number system. It could easily be changed weekly or seasonally to target different customer bases.

## Traffic Mitigation

### Subsidized Employee Parking:

In the course of administering the surveys in person, some interesting and unexpected insights were gained. One such insight was that many residents of La Jolla described an atmosphere in which employees of village businesses contribute to traffic congestion and parking problems, which is in direct conflict with merchant business goals. Employees consistently park in street parking spots while working in La Jolla Village because street parking is free and parking lots charge a fee. Since street parking has a two-hour maximum in La Jolla, this has two possible unintended negative consequences for merchants. First, visitors to La Jolla find fewer available street parking spots which requires visitors to circle and increases traffic congestion. This contributes to the primary detractor against visiting La Jolla Village, with 79% (Figure 4) of survey respondents indicating that they did not visit La Jolla More due to perceived distance, traffic and parking challenges. The second consequence to merchants is a loss of employee productivity. Hypothetically, in an eight-hour shift, an employee will need to leave work and move their car three times, including circling to look for an open spot. If each move takes 10-minutes, employers are *losing a half hour of productivity from each employee each day*.

There is an opportunity for La Jolla Village Merchants Association to facilitate an employee parking program with merchants. It is recommended that LJVMA rely on the existing relationship with ACE Parking to negotiate a discount to provide member merchant employees with off-street parking. An employee parking shuttle could be added, should employee parking areas not be within 5-minute walking distance to the Village.

### Hop-on Hop-off Visitor Shuttle:

51% of survey respondents said they would be likely to park outside of La Jolla Village and take a free shuttle into the heart of the Village or to the La Jolla Cove. There is an opportunity for a hop-on hop-off visitor trolley, initially subsidized by La Jolla Village Merchants Association, that would operate on a defined route through La Jolla and act as a feeder to La Jolla Village businesses. In the hop-on hop-off shuttle format, an added benefit of increased visitor circulation can be realized. It would serve two purposes; easing traffic congestion caused by people circling and searching for parking and providing visitors who go to La Jolla Cove to view the seals an easy opportunity to travel up to the Village, which would hopefully drive business to LJVMA merchants. Further studies regarding visitor conversion rates revenue generation models would be

necessary to quantify an increase in business promoted by the shuttle service. Similar programs have been successful, such as the LAX Gateway to Manhattan beach Trolley, which was earlier described as a focused shuttle service from Los Angeles International airport gateway to the Manhattan Beach BID. This project over grossed over \$70,000 in revenue for the BID for 2017(Compliance report LAX Gateway 2017). An additional benefit of introducing this shuttle concept is that locals would likely use it, thereby further reducing traffic and parking congestion and adding to the coastal charm.

## **Pedestrian Experience**

### **Shore Walk - La Jolla Shores to La Jolla Village:**

In the course of administering the surveys in person, additional insights were gained about why visitors were not leaving La Jolla Cove and transiting up to La Jolla Village. Many visitors to La Jolla Cove indicated that they either did not know how to get up to La Jolla Village, or they weren't motivated to do so because they did not know what businesses exist in La Jolla Village. It was observed that in order for visitors and tourists to travel from La Jolla Cove up to La Jolla Village they have to walk along Torrey Pines Road to get to Prospect, which is a very busy street that is not inviting or conducive to strolling and sightseeing.

There is an opportunity for La Jolla Village Merchants Association to implement a plan to improve the pedestrian experience and to raise community awareness around this issue. LJVMA could use existing community relationships to facilitate fact finding around alternate options for pedestrians. One such option would be to build an "along the sea" walkway from La Jolla Shores to La Jolla Village. A similar coastal walkway can be found in Sydney, Australia in the Bondi to Coogee Coastal Walk. It is recommended that LJVMA rely on existing agreements with the California Coastal Commission as a spring board for further discussions around this opportunity. Currently, the California Coastal Trail is being spearheaded by the Coastal Commission, and this proposed solution could be complimentary to that initiative. Details regarding exact location and design would require further studies, as there are areas of concern surrounding conservation of shore bird habitats. However, the benefit gained by increasing the pedestrian friendly nature of La Jolla would be a benefit to residents and visitors alike. This recommendation is in line with California Coastal Commission's goals of increased public access in coastal areas and the reduction of traffic and parking congestion.

### **Wayfinding Signage at La Jolla Cove:**

Many people surveyed along the railing of La Jolla Cove showed a lack of knowledge around what was available in La Jolla Village. Respondents were repeatedly asked questions like, "Where could I eat that has the best view?" and "How do I get up the La Jolla Village?". There is an opportunity for La Jolla Village Merchants Association to facilitate development and installation of wayfinding signage that would serve the purpose of both directing visitors to the Village and promoting merchants. Signage would be designed in a low-profile manner, in order to minimize impact on coastal

views, and be low-tech in order to meet the California Coastal Commission's low ambient light requirements. A combination of wayfinding elements, such as maps and directional elements, along with changeable promotional materials would be the optimal use of the medium. This would allow LJVMA to plan for changes in merchant relationship status, as well as planning targeted marketing initiatives throughout the year. Examples of signage installed with approval of the California Coastal Commission have been provided.

## **Appendices**

Appendix A: Resources

Appendix B: Additional Parking and Transportation Research

Appendix C: Updated Letter of Engagement

Appendix D: Master Survey Questions

Appendix E: Local Survey Questions

## Appendix A: Resources

- (1) SanDiego.gov, *Economic Development webpage*. Retrieved from: <https://www.sandiego.gov/economic-development/about/bids>
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## Appendix B: Additional Parking and Transportation Research

Parking and transportation are very important aspects of tourism and should be reviewed further to better understand consumers' recreational travel environment. As the research stated previously, parking is acknowledged as a deterrent to visiting La Jolla which is important as the vast majority of survey respondents that visited La Jolla stated they drove to get there. Therefore, it is beneficial for La Jolla Village Merchants Association to gain any possible parking insights that may allow it to accommodate high vehicle volume in the area.

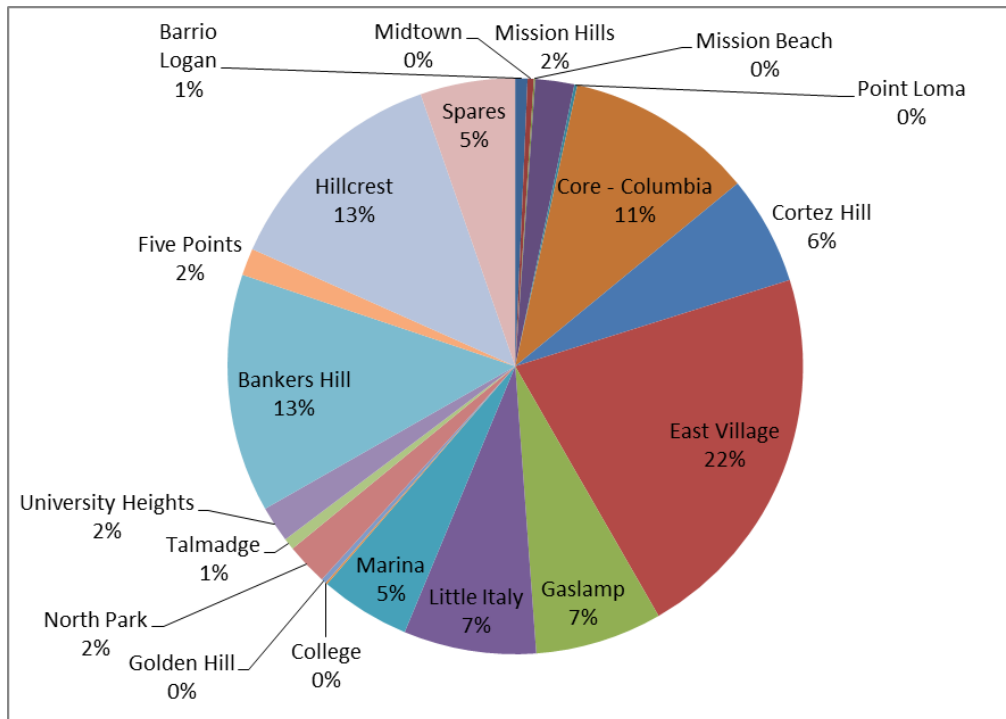
Parking meter location data was analyzed from the City Treasurer via Data.SanDiego.gov to help La Jolla Village Merchants Association assess San Diego's current city parking environment. This information may be useful to drive future policy change requests and/or to serve as a resource for future grants requests. The parking data findings and insights are summarized below.

### Key Parking Insights:

- 88% of all San Diego parking meters are located in either Downtown (e.g. East Village, Gaslamp) or Uptown (e.g. Banker's Hill, Hillcrest).
- Downtown has 58% of all San Diego parking meters.
- There are close to 5,000 paid parking meters across San Diego.
- 80% of all San Diego parking meters are configured as a 2 Hour Max spot at \$1.25 per hour with the paid times being between 8am-6pm from Mon-Sat.

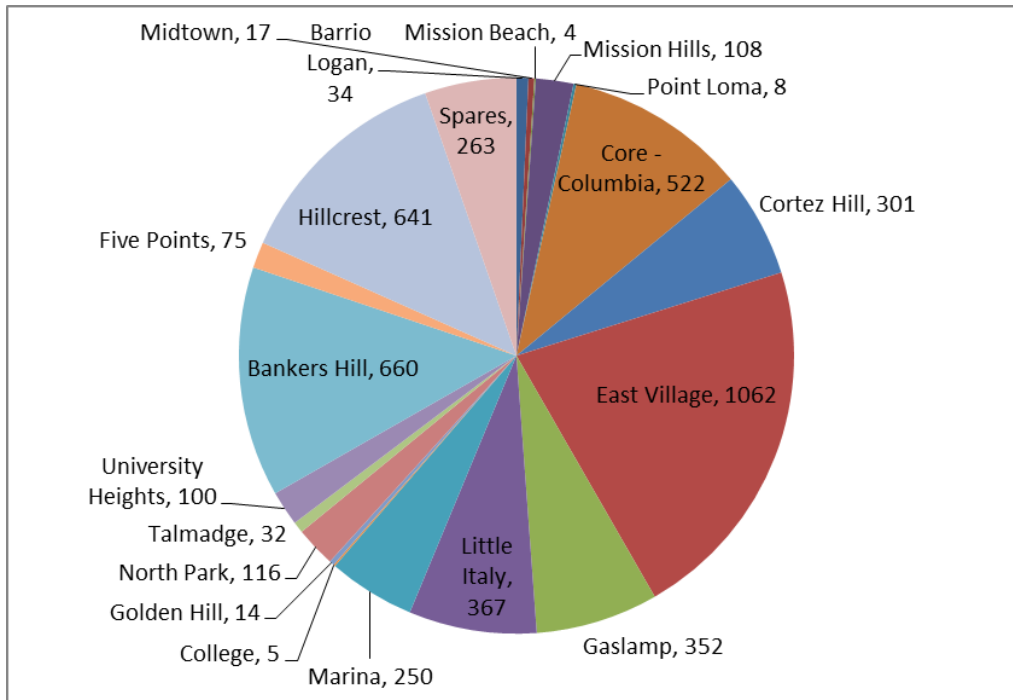
How are parking meters distributed across San Diego?

Figure 1. Percentage of parking meters in San Diego by area



How many parking meters are in which areas of San Diego?

Figure 2. The number of parking meters in San Diego by area



How many parking meters are in the large zones of San Diego?

Figure 3. The number of parking meters in San Diego by top-level zone

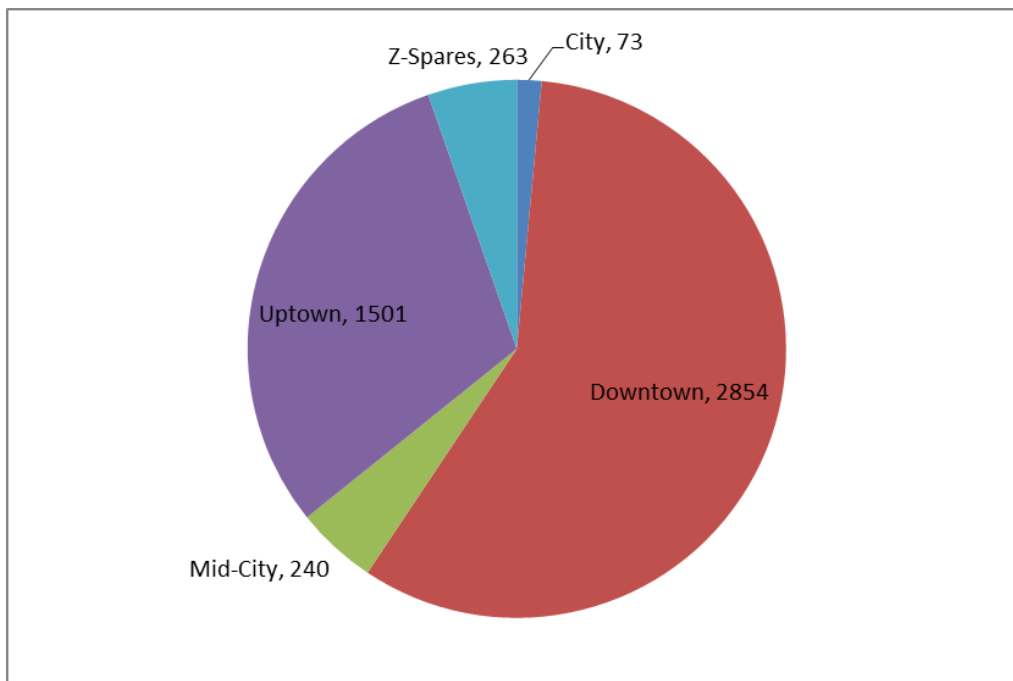


Table 1. The number of parking meters in San Diego by top-level zone

Zone	# of Meters	Percentage of Total (%)
City	73	1.48%
Downtown	2854	57.88%
Mid-City	240	4.87%
Uptown	1501	30.44%
Z-Spares (Other)	263	5.33%
<b>Total</b>	<b>4931</b>	<b>100%</b>

Which parking areas are tied to which zones? How are parking meters distributed across different zones and areas of San Diego?

Table 2. The number of parking meters in San Diego by zone and area

Zone	Area	# of Meters	Percentage of Total (%)
City	Barrio Logan	34	0.690
City	Midtown	17	0.345
City	Mission Beach	4	0.081
City	Mission Hills	10	0.203
City	Point Loma	8	0.162
Downtown	Core - Columbia	522	10.586
Downtown	Cortez Hill	301	6.104
Downtown	East Village	1062	21.537
Downtown	Gaslamp	352	7.139
Downtown	Little Italy	367	7.443
Downtown	Marina	250	5.070
Mid-City	College	5	0.101
Mid-City	Golden Hill	14	0.284
Mid-City	North Park	116	2.352
Mid-City	Talmadge	32	0.649
Mid-City	University Heights	73	1.480
Uptown	Bankers Hill	660	13.385
Uptown	Five Points	75	1.521
Uptown	Hillcrest	641	12.999
Uptown	Mission Hills	98	1.987
Uptown	University Heights	27	0.548
Z-Spares (Other)	Spares (Other)	263	5.334
<b>SUM</b>		<b>4931</b>	<b>100%</b>

How are San Diego parking meters configured?

Table 3. Parking meter configuration type

<b>Parking Meter Configuration</b>	<b># of Meters</b>	<b>Percentage of Total (%)</b>
1 Hour Max \$1.25 HR 8am-6pm Mon-Sat	68	1.37%
2 Hour Max \$1.25 HR 8am-6pm Mon-Sat	3,985	80.82%
2 Hour Max \$1.25 HR 8am-6pm Mon-Sat (Mobile Pay)	473	9.59%
30 Min Max \$1.25 HR 8am-6pm Mon-Sat	405	8.22%
<b>Total</b>	<b>4931</b>	<b>100%</b>

## Appendix C: Updated Letter of Engagement

March 19, 2019

Ms. Jodi Rudick  
Executive Director  
La Jolla Village Merchants Association  
7590 Fay Avenue, Suite 404  
La Jolla, CA 92037

Dear Jodi,

This Letter of Engagement supersedes the Letter of Engagement dated February 15, 2019 and reflects the feedback you shared with us at the March 13<sup>th</sup> La Jolla Village Merchants Association board meeting. We are grateful for the clarity you provided and have adjusted the project deliverables to ensure we set the foundation for success. We look forward to supporting your journey to drive visitor demand to La Jolla merchants and being a valued partner.

Thank you for the opportunity to work with you and your team on your strategic marketing initiatives for La Jolla Village Merchants Association. Your energy, passion, and brand experience paired with our MBA student team's diverse background in tourism, marketing, and event management makes for a perfect partnership to achieve your organizational goals.

### **Background and Business Situation:**

La Jolla Village Merchants Association originated as a champion for small business, a resource for merchants to help combat high rents, and a champion of large anchor tenants to increase local foot traffic. It has since evolved into something much greater.

La Jolla Village Merchants Association, now guided by a 15-member board, aims to increase consumer demand and maintain La Jolla's reputation as a premier tourist destination in San Diego. It provides information to both tourists and locals about destinations, shopping, events, transportation and more in order to improve and vitalize La Jolla's business district.

La Jolla Village Merchants Association (LJVMA) is a Business Improvement District (BID) that is contracted by the City of San Diego's Economic Development Department to manage the La Jolla Business Improvement District. Typically, a public-private partnership, a BID is effectively acting as a localized chamber of commerce with a goal of expanding economic and community development. The BID enables businesses to take advantage of economies of scale that are not attainable by individual business owners; marketing, capital improvement projects, and improved maintenance are a few examples.

BID member businesses within defined district boundaries are assessed a property levy on an annual basis; BID revenues vary widely since they are largely driven by real estate property assessments and the ambitions of board of directors. Many BID associations receive city funding such as parking meter revenues and grants funded via Transient Occupancy Taxes <sup>(1)</sup>. Additional revenue streams supporting BIDs often come from hosted festivals and special events, as well as corporate sponsorships secured by the organization.

In a highly competitive and choice-abundant environment, it's imperative for organizations to continually improve, differentiate, and add value to the market. Therefore, La Jolla Village Merchants Association has engaged SDSU to tap into the University's inventory of intelligent, motivated students to help support the board's strategic plan for growth.

### **Opportunity Statement:**

Consumer preferences' gravitation toward convenience and instant gratification as well as online commerce's disruption of brick-and-mortar retail locations have created a challenging relationship between local merchants and today's time-starved, value-hungry consumers.

With regards to this issue, the opportunity at hand is to provide La Jolla Village Merchants Association with the insights, data, and strategic recommendations necessary to help it:

- Change perceptions and overcome potential objections of visiting La Jolla.
- Improve the economic vitality of La Jolla through increased visitor demand.
- Ensure La Jolla is being considered as a preferred destination and activity for locals and tourists alike.
- Better understand La Jolla customers and visitors, including but not limited to their purchasing behavior and motivations.
- Give consumers good reasons to visit La Jolla (enough to act, not just consider).
- Find new ways and times for customers to engage with La Jolla (e.g. nights, weekdays, etc.).
- Reduce any "friction" of visiting La Jolla (e.g. parking, # of activities, etc.).
- Create an attractive atmosphere and a "magnet" for experiences worth sharing in La Jolla.

### **Key Issues, Challenges, and Considerations:**

- Increase the number of visitors to La Jolla Village
- How to get people from The Cove up to the Village
- Increase monetary impact of visitors during non-peak hours (i.e. nights and weekends)
- Minimize concerns over parking

Before embarking on this research project, it is important to take a moment to acknowledge the core strengths of La Jolla Village and what makes it prime destination worthy. These strengths of La Jolla set the stage for an active differentiation not only among other competing upscale neighborhoods but also has the potential to draw visitors that might intend on doing completely different activities, such as going to the movies, museums or perhaps shopping at Fashion valley or UTC.

La Jolla is a vibrant neighborhood that is filled with scenic stretches of beach, and that has great weather and wildlife. This natural beauty is complemented with uniquely crafted boutique shops, art galleries, and pop-ups that create a unique and tempting experiential treatment that is hard to duplicate by the competition. During this project, the consulting team from Fowler College of Business – SDSU (SDSU) will provide due consideration to these factors, among others. Based on the initial discussion with La Jolla Village Merchants Association (LJVMA), it is believed that the time and effort of consulting team would be most beneficial to the newly elected executive team of La Jolla Village Merchant Association if the consulting team takes a horizontal research approach and provides validated actionable insights based on data collection and analysis across multiple areas of importance.

### **Key Issues and Challenges:**

According to the preliminary analysis and discussions with a LJVMA representative, the single biggest challenge that prevents San Diegans from visiting La Jolla is the perception that La Jolla lacks parking infrastructures and that traffic jams are frequent. La Jolla Village Merchants Association acknowledges this may be a common and frustrating situation during business hours, however, indicated that the weekends have plenty of parking and traffic is quite manageable. She indicated that LJVMA had been struggling to change this negative public perception and get people to visit during the evenings and weekends. There has been push back from residents when proposals for building public parking garages are made; in addition, residents insist on keeping the street parking free. This has not only cost the city money, but also has prevented implementation of parking reforms. Continuance of this situation could potentially cause disruption to the local business thereby affecting La Jolla as a whole.

Outside of parking and driving, alternatives that visitors can opt for include ride-share or public transport if they are keen enough to visit La Jolla. As a classic cause-and-effect situation, since there are no visitors to La Jolla after business hours and weekends, most businesses close early and don't open on weekends. Since no businesses are open, there is lack of motivation for anyone to visit La Jolla during these hours. While LJVMA, again acknowledging this situation, adds that there are things happening during the evenings and weekends, they have not been curated for the general public's view. To add to the situation, even those that visit La Jolla to see The Cove and the seals are not aware of the things that are happening around the neighborhood just up the hill from where they are.

## **Project Objectives and Methodology:**

*Overall Objective:* Increase visitors to the La Jolla Village and identify how to increase their monetary impact on local businesses.

Through the process of this project, the motivation, for locals and tourists alike, to visit La Jolla Village will be identified. The data collection and analysis conducted shall aim to garner insights as to how to increase visitor traffic to La Jolla Village, increase the monetary contributions of visitors to business in the 92037 area code, and draw visitors from The Cove to the main street restaurants and businesses in The Village. This information will identify needs for initiatives to improve the appeal of the business district to visitors and allow the LJVMA to apply for grants to fund said initiatives, in order to improve business' success in the Village.

### Objective 1: Identify motivations for tourists and locals to visit La Jolla Village

The first objective is to identify motivations for tourists and locals to visit The Village. This will be achieved via data collection surveys in the field. Surveys will be designed to collect data from people who are frequenting non-Main Street areas, such as UTC Mall, Fashion Valley, etc. The goal will be to identify motivators to inspire prospective consumers to consider La Jolla Village as a destination over other locations when planning a celebration, i.e. birthday, anniversary, special date night, etc. The data collection surveys will include qualitative questions about visitors' and locals' tendencies to visit the La Jolla Village and motivations for visiting. Additionally, the surveys will include quantitative questions about behaviors and spending habits when they are on these types of visits. The survey will be delivered by SDSU consultants via mobile device and email.

### Objective 2: Conduct an impact analysis - identify trends of sample

A second collection of data will occur when there is an event taking place in The Village. A comparison of the spending trends of those present during an event versus a typical day will lend insight to the value of events that drive visitor traffic to the area and identify whether or not events have a significant impact on the local merchants. Data will be collected via in-person surveys. An impact analysis will be conducted based on the data collected.

### Objective 3: Make recommendations specific to marketing, grant proposals, and events in order to drive economic impact of each visitor on the businesses of the La Jolla Village Merchants Association

Based on the analysis of the data, recommendations for future opportunities will be provided. The data collection will also offer insight as to the draws of La Jolla Village and events being held there, which will allow the LJVMA to identify what attributes of The Village need to be emphasized in marketing campaigns.



It is requested that the members of the La Jolla Village Merchants Association deliver any information regarding their current marketing strategy and initiatives as well as any recent economic impact research that may have been conducted since the 2010 SD Tourism Authority research. This information will be used by the team along with a survey and questionnaire using the Qualtrics software on mobile iPads and via email in order to conduct in-person interviews with visitors in La Jolla and competing shopping and entertainment destinations in San Diego.

A comprehensive data analysis will be conducted upon the completion of the data collection phase ending April 18th. The data will be analyzed and used to make recommendations to LJVMA regarding marketing strategy, event marketing, and methods to draw more visitors to the area and increase their economic impact on the La Jolla Village.

### **Tasks Needed to Address the Problem and Deliverables**

San Diego tourism conducted a qualitative and quantitative research (circa 2010) on various neighborhoods of San Diego and economic and environmental impacts of these neighborhoods depending on the neighborhoods that drew most visitors<sup>(2)</sup>. Although this research was conducted nearly 10 years ago, many of the neighborhoods have maintained their status during that period. However, currently, it is important to acknowledge that La Jolla is not only competing with other San Diego neighborhoods such as Mission Bay or Coronado Island, it is competing for consumer's time. The theory is that there is an untapped market of consumers who currently frequent non-Main Street style destinations such as shopping malls and other urban centers. Collecting data about the preferences and spending habits of those people will provide valuable insight to be used in future marketing campaigns to increase the number of visitors frequenting La Jolla Village.

While parking and traffic hassles may continue to exist in the short term, and San Diego's Public transport is not among the most popular with San Diego residents, there can be innovative ideas that can be used as work-arounds to mitigate this situation. Possible opportunities exist for partnerships with Lyft/Uber to provide discounted rates for rides that begin or end at La Jolla Village. Estimated revenue generation for ride-hailing companies and La Jolla Village merchants can be estimated to evaluate the feasibility of this option. LJVMA representatives indicated that there are funds allocated by City of San Diego for shuttle expenses; this fund could be creatively used to operate hop-on-hop-off curated trips that will engage visitors to the different parts of La Jolla. This may also allow parking infrastructure to be built away from areas that have residents' pushbacks. Since these visitors won't be driving around La Jolla village, there is potential to reduce parking issues. Investment and operating cost can be estimated along with identification of means to maintain and sustain operation by optimal ticket sales.

One of LJVMA's priority is to focus on local San Diego visitors to consider La Jolla as a prime "day-cation" spot. To achieve this objective, La Jolla must be capable of producing a refreshed outlook each time someone revisits La Jolla. A revamped marketing and events strategy will help raise awareness of all La Jolla Village has to offer and drive traffic to the geographic area and its local businesses. Surveys and questionnaires will be conducted to gauge what deters and what motivates people to visit the area.

The SDSU Consulting Team will deliver the following to the La Jolla Village Merchants Association:

- The results from a survey that will collect data about habits of locals and tourists frequenting non-Main Street style locations in San Diego, such as Fashion Valley Mall or UTC Mall.
- The results of a survey that will collect data about habits of locals and tourists in La Jolla who are visiting the area because of a special event.
- A data analysis of results and identification of trends displayed in results in order to make marketing and event recommendations to LJVMA
- A complete impact analysis comparing trends and results from the two groups surveyed.
- Recommendations of appropriate grant proposals to increase funding opportunities and on how to move forward with new marketing and event initiatives and to drive further economic impact of those visiting The Village to increase the overall number of visitors.

**Timeline:**

The following table establishes our proposed timeline for this project.

Task	Estimated Start	Estimated End
Development of scope of project and Letter of Engagement	1/31/19	2/12/19
Letter of Engagement presented to LJVMA for approval	2/15/19	2/19/19
Provide LJVMA with consultant biographies and photos	2/15/19	2/15/19
Identify motivations for tourists and locals to visit La Jolla Village (OBJECTIVE #1)	2/16/19	3/3/19
Preparation of Alpha Report	2/19/19	3/5/19
Preparation of Progress Report #1	3/5/19	3/12/19
Preparation of Beta Report	3/5/19	4/9/19
Finalize project presentation time and date with LJVMA	3/7/19	3/7/19
Conduct an impact analysis - identify spending trends of sample (OBJECTIVE #2)	3/13/19	4/1/19
Make recommendations specific to marketing and events in order to drive economic impact of each visitor on the businesses of the La Jolla Village Merchants Association (OBJECTIVE #3)	3/13/19	4/9/19
Preparation of Client Presentation and Report	3/28/19	4/9/19
Preparation of Progress Report #2	4/4/19	4/16/19
Draft Client Presentation and Report to SDSU faculty for review	4/9/19	4/9/19
Final Report Completion and submission to SDSU for comments	4/30/19	4/30/19
Final Client Presentation to LJVMA	3-May	3-May

### **Deliverables and Updates**

The following table outlines the proposed deliverables for this project. San Diego State University mandates that the consulting team present two formal progress reports to LJVMA on the dates listed.

<b>Dates</b>	<b>Item</b>	<b>Description</b>	<b>Action Needed by LJVMA</b>
2/15/19 -2/18/19	Letter of Engagement	LJVMA and SDSU representatives finalize project scope and terms	Review and Approval of LOE
3/07/19	Progress Report #1	SDSU Team will deliver a brief project update via email	Client feedback requested
3/13/19	LJVMA Board Update	SDSU representative(s) provide project update at Board Meeting	Agenda coordination
4/16/19	Progress Report #2	SDSU Team delivers brief project update via email	Client feedback requested
5/3/19	Final Client Presentation	Consultant's Report delivered to LJVMA Representatives	Client attendance at SDSU

### **Budget**

To prompt visitor participation in the data collection portion of the consulting project, it may be requested that LJVMA provides incentives or raffle giveaways to ensure a sufficient amount of data is collected. If in the course of conducting market research expenditures in support of the project become necessary, client approval will be requested prior to any expenditures being made.

**Conclusion**

By adhering to our objectives, methodology, and timeline, we will complete the marketing study agreed upon with La Jolla Village Merchants Association by May 3, 2019. We thank you for this opportunity and look forward to working with you.

Sincerely,

**SDSU Consulting Team**

Karthik Gangadharan: \_\_\_\_\_

Date: \_\_\_\_\_

Miranda Gill: \_\_\_\_\_

Date: \_\_\_\_\_

Cody Gutierrez: \_\_\_\_\_

Date: \_\_\_\_\_

U. Stash McCollough: \_\_\_\_\_

Date: \_\_\_\_\_

Tracy Smith: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

**Client signature page follows.**

**CLIENT Point of Contact and Authorized Approver**

**“Point of Contact”**

**“Authorized Approver”**

Contact:	Jodi Rudick	Jodi Rudick
Email:	Jodi@LaJollabytheSea.com	Jodi@LaJollabytheSea.com
Phone:	858-230-2725	858-230-2725

**CLIENT (La Jolla Village Merchants Association)**

Signature (Authorized Approver): \_\_\_\_\_

Name (print): \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## Appendix D: Master Survey Questions

---

Start of Block: Block 5

Q25



We are Graduate Students of San Diego State University working on a research project to understand the economic impact of local business ecosystems in San Diego.

End of Block: Block 5

---

Start of Block: Demography

Q1 What is your home zip code?

\_\_\_\_\_

Q2 Age of person taking survey

- Under 30 (1)
  - 30 – 45 (2)
  - 46 – 65 (3)
  - 66+ (4)
-

Q26 Gender?

- Male (1)
  - Female (2)
  - Decline to answer (4)
- 

Q3 Do you have children?

- Yes (1)
- No (2)

*Skip To: End of Block If Do you have children? = No*

---

Q4 If yes, please indicate ages of children living at home.

---

**End of Block: Demography**

---

**Start of Block: Going or not**

Q7 How often do you visit La Jolla Village?

- Almost every day (1)
- Weekly (2)
- Monthly (3)
- A few times a year (4)
- Rarely (Every few years) (5)
- Never (6)

*Skip To: End of Block If How often do you visit La Jolla Village? = Never*

---



Q16 What is your favorite part about La Jolla Village?

- World Class Shopping (1)
- Fantastic Restaurants (2)
- Natural Beauty and Marine Life (3)
- The Arts and Cultural events (4)
- Farmers Market (5)
- Luxurious Hotels (6)
- Other (7)

*Skip To: End of Block If What is your favorite part about La Jolla Village? != Other*

---

Q17 Please specify

---

End of Block: Going or not

---

Start of Block: Not going

Q18 What keeps you from visiting La Jolla Village more often?

---

---

Q19 Which of the following would motivate you to shop or dine in La Jolla Village more often?

- Free Parking (1)
- Family-friendly options (2)
- Special discounts or exclusive savings on lodging, dining, shopping (3)
- Special events, festivals or activities (4)
- Entertainment / Performing Arts Packages (For example: Dinner and a Movie/Concert) (5)
- Night time activities (6)
- Other (7)
- I'm not sure (8)

*Skip To: End of Block If Which of the following would motivate you to shop or dine in La Jolla Village more often? != Other*

---

Q20 Please specify other

---

**End of Block: Not going**

---

**Start of Block: General questions**

Q21 Would you be willing to park outside of La Jolla Village and take a shuttle to the heart of La Jolla Village or the coast?

- Yes (1)
  - No (2)
-

Q22 Would you be motivated to shop in La Jolla Village more often if a “locals discount” or loyalty program was offered?

Yes (1)

No (2)

---

Q23 What type of events would you like to attend in La Jolla Village?

Street Fairs/Events (1)

Performing Arts Festival (2)

Other (3)

*Skip To: End of Block If What type of events would you like to attend in La Jolla Village? != Other*

---

Q24 Please specify other

---

End of Block: General questions

---

Start of Block: Going

Q9 Why are you most likely to visit La Jolla Village?

- World Class Shopping (1)
- Fantastic Restaurants (2)
- Natural Beauty and Marine Life (3)
- The Arts and Cultural events (4)
- Farmers Market (5)
- Luxurious Hotels (6)
- Other (7)

*Skip To: End of Block If Why are you most likely to visit La Jolla Village? != Other*

---

Q12 Please specify

---

End of Block: Going

## Appendix E: Local Survey Questions

---

Start of Block: Default Question Block

Q1



We are Graduate Students of San Diego State University working on a research project to understand the economic impact of local business ecosystems in San Diego.

End of Block: Default Question Block

---

Start of Block: Local

Q2 Age of Person taking survey

- Under 30 (1)
  - 30 – 45 (2)
  - 46 – 65 (3)
  - 66+ (4)
- 

Q3 What is your home zip code?

---

---

Q4 How did you get to La Jolla today?

- Drove (1)
  - Walked (2)
  - Biked (3)
  - Public Transportation (4)
  - Shared Ride (Uber/Lyft) (5)
  - Private Tour (6)
  - Other (7)
- 

Q5 Is this your first visit to La Jolla?

- Yes (1)
- No (2)

*Skip To: Q7 If Is this your first visit to La Jolla? = Yes*

---

Q6 How often do you visit La Jolla?

- Almost every day (1)
  - Weekly (2)
  - Monthly (3)
  - A few Times a Year (4)
  - Every Few Years (5)
-

Q7 Do you plan to, or did you dine, shop or visit a business in La Jolla Village today?

- Yes (1)
- No (2)

*Skip To: Q12 If Do you plan to, or did you dine, shop or visit a business in La Jolla Village today? = No*

---

Q10 Approximately what percent of your expenses today will be in each of these categories?

- Food/Beverage : \_\_\_\_\_ (1)
- Shopping : \_\_\_\_\_ (2)
- Lodging : \_\_\_\_\_ (3)
- Tours/Arts/Culture : \_\_\_\_\_ (4)
- Other Services/Activities : \_\_\_\_\_ (5)
- Total : \_\_\_\_\_

*Skip To: Q16 If Approximately what percent of your expenses today will be in each of these categories? = Other Services/Activities*

---

Q17 Please describe other

\_\_\_\_\_

---

Q16 How much do you anticipate spending today at La Jolla?

\_\_\_\_\_

---

Q12 Which of the following would motivate you to dine, shop or do business with La Jolla Village merchants today or on your next visit?

- Validated parking from merchants (1)
- Free Long-term Parking (2)
- More family-friendly options (3)
- Special discounts or exclusive savings on lodging, dining, shopping (4)
- Special events, festivals or activities (5)
- Entertainment or Performing Arts Packages (For example: Dinner and a Movie/Concert) (6)
- More night time activities (7)
- Other (8)
- I'm not sure (9)

*Skip To: Q14 If Which of the following would motivate you to dine, shop or do business with La Jolla Village merc... != Other*

---

Q13 Please describe other

---

---



Q14 How likely is it that you would recommend a visit to La Jolla to a friend or family member?

- Extremely likely (1)
  - Somewhat likely (2)
  - Neither likely nor unlikely (3)
  - Somewhat unlikely (4)
  - Extremely unlikely (5)
- 

Q15 Is there anything else you'd like to share about your visit to La Jolla Village today?

---

End of Block: Local

---